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Financial Crimes Enforcement Network

**FinCENnews**

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### **FinCEN Releases Fifth SAR Activity Review**

The Financial Crimes Enforcement Network (FinCEN) continued its examination of terrorist financing methods in the [fifth issue of \*The SAR Activity Review – Trends, Tips and Issues\*](#) just released today. This latest issue of *The Review* looks at terrorist financing methods through Informal Value Transfer Systems (IVTS) such as hawalas, as well as through non-profit organizations.

*The Review* also contains a preliminary look at money laundering vulnerabilities and indicators of suspicious activity in financial institutions from a broad mix of financial industry sectors. Anti-money laundering program rules required by Section 352 of the USA PATRIOT Act are in the initial proposal stages for some of these sectors which include insurance companies, travel agencies, automobile and boat dealers and certain segments of the securities industry. Other financial businesses such as pawnbrokers, hedge funds and investment companies are still being studied and may be subject to these rules in the future.

Standard features of *The Review* include law enforcement cases in which suspicious activity reports (SARs) played a role in a successful investigation, SAR statistics, and tips and guidance for financial institutions on SAR form preparation and filing. In addition, the Industry Forum Section provides insights into aspects of compliance management or fraud prevention by representatives from the financial services industry.

FinCEN Director, James F. Sloan stated that “*The SAR Activity Review* is reflective of the continuing effort to strengthen information sharing amongst the law enforcement, financial and regulatory communities. All of these communities play a vital role in helping to prevent, deter and detect money laundering and the potential financial underpinnings of terrorism and other financial crime activity. The collective contributions of these communities to *The Review* are representative of the outstanding cooperative efforts they are making to share ideas and information. The FinCEN network will continue to focus its energy on finding creative ways to facilitate this important exchange of ideas.”

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